

ASSEMBLY APPROPRIATIONS COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4743

with committee amendments

STATE OF NEW JERSEY

DATED: DECEMBER 12, 2019

The Assembly Appropriations Committee reports favorably and with committee amendments Assembly, No. 4743.

As amended and reported, this bill creates two categories of basic driver's licenses, motorcycle licenses, probationary licenses, permits, and non-driver identification cards (hereinafter referred to collectively as licenses and identification cards). Under the bill, a person may apply for a standard license or identification card or a REAL ID license or identification card.

Establishment of the Point Based Identification Program

The bill codifies into law the point based identification verification program, commonly known as the "6 Point ID Verification Program," currently employed by the New Jersey Motor Vehicle Commission (MVC) to prove the identity of any applicant for any license or identification card.

Requirements for a Standard License or Identification Card

To obtain a standard license or identification card, a person is required to provide satisfactory proof of identity and age, proof of the person's social security number, and one document providing proof of residency. If the person applying for a standard license or identification card does not have a social security number, the person is required to provide an Individual Taxpayer Identification Number (I-TIN) or indicate, in a manner prescribed by the MVC and consistent with all other provisions of law, that the person is not eligible to receive a social security number.

As proof of identity, age, and residency, an applicant for a standard license or identification card is required to provide primary and secondary documents, with which the Chief Administrator of the MVC is required to attribute point values in accordance with the "6 Point ID Verification Program." The point total required to prove the identity of an applicant for a standard license or identification card is required to be the same for every applicant. In the event that the MVC changes the point total threshold, the requirement that every applicant reach the same point total threshold will remain in effect.

The bill also requires that a standard license or identification card indicate that the license or identification card is not to be accepted as identification for an official federal purpose. An official federal purpose includes, but is not limited to accessing federal facilities, boarding federally regulated commercial aircraft, and entering nuclear power plants.

Requirements to obtain a REAL ID

A REAL ID license or identification card is to comply with the provisions of the federal “REAL ID Act of 2005,” any amendatory or supplementary acts, and any federal regulations adopted thereunder.

In addition to requiring an applicant to submit satisfactory proof of identity and age, an applicant for a REAL ID license or identification card is required to submit two documents providing proof of New Jersey residency, proof of the applicant’s social security number or verification of ineligibility for a social security number in accordance with the “REAL ID Act of 2005,” and proof that the applicant’s presence in the United States is authorized under federal law.

Requirements for Permits

The bill removes the requirement that an applicant for an examination permit or special learner’s permit provide proof of lawful presence in the country. Instead, in addition to identity and age, the bill requires an applicant for an examination permit or special learner’s permit to provide the requisite number of documents providing proof of residency consistent with the type of license for which the applicant applied.

Information Obtained by MVC

Under the bill, an applicant for a standard license or identification card is only required to provide information or documentation necessary to determine eligibility for the standard license or identification card for which the applicant has applied. This provision does not prohibit voluntary submission of documents as proof of identity. The bill prohibits the MVC from retaining copies, scanned images, or records of any kind of primary or secondary documents submitted to the MVC by an applicant to establish eligibility for a standard license or identification card.

Any documents and personal information obtained by the MVC from an applicant for a standard license or identification card is confidential and is not to be considered a government record and cannot be disclosed for any purpose related to Title 8 of the U.S. Code without the informed consent of the applicant, a warrant signed by a state or federal judge, or a lawful court order or subpoena. The bill also prohibits the MVC from disclosing to any federal, State, or local law enforcement any motor vehicle record that includes personal information for any purposes related to Title 8 of the U.S. Code

without the informed consent of the applicant, a warrant signed by a State or federal judge, or a lawful court order or subpoena.

The bill provides that when responding to a warrant, court order, or subpoena, the commission may disclose only those records or information specifically requested in the warrant, court order, or subpoena. The bill also provides that, with respect to the disclosure of information by the MVC, nothing is to be construed to prohibit, or in any way restrict, any action where such prohibition or restriction would be contrary to federal law.

Fees for Licenses and Identification Cards

Under the bill, the fee for a REAL ID license or identification card is greater than the fee for a standard license or identification card.

The chief administrator may waive the fee imposed for a duplicate license and identification card if the applicant, at the time of application:

(1) is applying for a REAL ID license or REAL ID identification card;

(2) currently holds a valid license to operate a motor vehicle or identification card issued by the MVC; and

(3) is not eligible to renew the applicant's current license or identification card.

The chief administrator's authority to waive the duplicate fee expires on October 1, 2020. To obtain the fee waiver, an applicant for a REAL ID license or REAL ID identification card is required to surrender to the MVC the applicant's current license or identification card.

The bill permits the MVC to increase certain driver's license and endorsement fees by regulation including fees for issuance of a standard motorcycle license or endorsement, REAL ID motorcycle license, omnibus or school bus endorsement, standard basic driver's license, or REAL ID basic driver's license.

Elimination of Business Address for Licenses

The bill provides that an application for a driver's license or a renewal of a driver's license is to contain the street address of the applicant's residence at the time of application or renewal and is no longer permitted to contain the applicant's business address. The bill leaves the exception in current law to allow a victim of domestic violence to use a post office box as the address on the person's driver's license.

Ability to Amend Notation on License or Identification Card

The bill requires MVC to permit a license or identification card holder to amend the notation on the holder's license or identification card to reflect any legal change made in accordance with "Babs Siperstein Law," which allows a person to change the person's gender identity on the person's birth certificate.

Non-discrimination Provisions

The bill prohibits a person or entity from discriminating against a person based upon the fact that the person applied for, was issued, holds, or presents a standard license or identification card. The bill entitles the holder of a standard license or identification card to have the opportunity to obtain employment, accommodation, and publicly assisted housing accommodation, for which the person meets all qualifications State or federal law, without discrimination by reason of holding or presenting a standard license or identification card.

The non-discrimination provisions of the bill are also to apply to the State, any political subdivision of the State, any agency or instrumentality of the State, and to any political subdivision of the State, and the employees, officers, or officials thereof, including law enforcement officers.

This provision does not alter an employer's rights and obligations to obtain documentation of identity and authorization for employment in accordance with certain provisions of federal law. Any action that is required by federal or State law or regulation, or by government contract does not constitute a violation of this non-discrimination provision.

Insurance

Under the bill, no insurance underwriting rule is to operate in a way that assigns risk to a rating plan on the basis of the insured holding a standard license.

Language Translation of Forms and other MVC Services

The bill requires that the written examination (knowledge test) for a basic driver's license or validated permit be made available in English and each of the three languages most commonly spoken in New Jersey, other than English. The bill requires the chief administrator to publish the driver's manual on the MVC's website in English and each of the three languages. The MVC is also required to translate the most commonly used application forms, as determined by the chief administrator, into each of the three languages. The chief administrator is required to periodically, but at least every five years, verify the three languages, other than English, most commonly spoken in New Jersey.

The bill also requires language translation services to be provided at each MVC agency and regional service center location, in a language spoken and understood by each applicant.

Public Awareness Campaign and Advisory Board

The bill requires the chief administrator to establish a 24 month public awareness campaign to inform the public about the availability of and the requirements to obtain a standard and REAL ID license or identification card.

The bill also creates the “Standard and REAL ID Driver License and Identification Card Advisory Board” (advisory board) to review the MVC’s implementation of the provisions of the bill and the issuance of licenses and identification cards.

The advisory board is to provide guidance to the MVC concerning public awareness and education of the differences between the standard and REAL ID licenses and identification cards and how to obtain standard and REAL ID licenses and identification cards. The advisory board is required to report to the Governor and Legislature its findings and recommendations no later than 12 months following the effective date of the bill. The advisory board terminates upon the submission of the report.

Committee Amendments

The committee amended the bill to:

- include additional findings and declarations;
- codify the point-based identification verification program, commonly known as the “6 Point ID Verification Program;”
- require the MVC to provide language translation services at MVC agencies and regional service center locations and on certain application forms;
- require that an applicant for a standard license or identification card only provide one document providing proof of New Jersey residency, instead of two documents;
- permit an applicant for a standard license or identification card to provide an I-TIN or statement that the applicant is ineligible to receive a social security number, if the applicant does not have a social security number;
- prohibit the MVC from disclosing the social security number, I-TIN, or the statement of ineligibility for a social security number for any applicant for a standard license or identification card, except under certain circumstances;
- require that the documents attributed point values under the “6 Point ID Verification Program” are to have the same point value threshold for all applicants for standard licenses and identification cards, regardless of immigration status;
- prohibit the MVC from disclosing personal information for any purpose related to Title 8 of the U.S. Code without the informed consent of the applicant, a warrant signed by a State or federal judge, or a lawful court order or subpoena;
- clarify that an applicant for a permit is required to provide the requisite number of documents in accordance with the type of license for which the person applied,
- eliminate new requirements created under the original bill for an applicant for a commercial drivers license examination permit;

- permit the holder of a license or identification card to amend the gender notation on the holder's license or identification card;
- require the advisory board to organize within 90 days of the effective date of the bill; and
- change the effective date to require the MVC to start the public awareness campaign within six months of enactment and the advisory board to expire upon the submission the report.

FISCAL IMPACT:

The Office of Legislative Services (OLS) finds that this bill will result in an indeterminate increase in State costs, and various impacts to State revenue of an indeterminate magnitude, likely netting to an increase. The Motor Vehicle Commission (MVC) will realize costs to redesign and issue new standard licenses, including programming and software changes that will apply to the driver's, motorcycle, probationary, and non-driver licenses. The MVC will also realize costs to translate and publish the drivers manual and driver knowledge tests in three additional languages, and additional employment costs to provide translation services at MVC agencies, that will depend upon how those services are provided. The MVC will realize costs to conduct the 24 month public awareness campaign required under the bill. The magnitude of these costs cannot be currently quantified due to a lack of knowledge about how the requirements will be implemented, including the final design of the licenses, manual, and tests, nor the scope and scale of the public awareness campaign. The majority of costs are likely to be realized in the first two fiscal years after enactment. In addition, the bill should result in a significant increase in the number of persons seeking driver's licenses, which will increase costs indeterminately.

The bill will result in increased revenue from the significant expected increase in the number of persons seeking driver's licenses. Also, the bill will result in increased revenue as a result of setting fees for a REAL ID-compliant documents above current document fees. identification card at \$29, compared to the existing cost of \$18. The magnitude of those increased revenues cannot be determined due to a lack of information about how many people will be opt for REAL ID documents. Also, the bill allows the Chief administrator to waive duplicate license fees for certain individuals upgrading to a REAL ID. The amount of lost revenue from fee waivers cannot be determined due to a lack of information on the exercise of this discretion. The duration of the impact is limited to October 2020, so will only apply in FY 2020 and part of 2021.

The bill also may result in additional State fine revenue due to the new prohibition on disclosing documents and personal information obtained by the MVC for various purposes, except as required under federal law. The maximum fine for a violation of this provision is \$10,000. The bill also provides for fines for submitting false

documents on driver's license applications not greater than \$500 or less than \$200. It is unclear how many, if any, violations of these prohibitions are likely to occur.

The state may also result in increased revenue by granting the chief administrator the power to raise license fees through administrative action. The amount is indeterminate due to a lack of future knowledge about whether the Chief Administrator will exercise this ability, as well as when and by how much the license fees might be raised. Traditionally, the MVC has used its administrative power to raise fees to set the fees at a level at which the revenue projected to be raised by the MVC matches the cost of the service attached to the fee.